

Did You Know...



Federal Performance Measures in a Nutshell

DCSS implemented the incentive funding system based on program performance as required by The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). The Child Support Performance and Incentive Act of 1998 enacted significant changes in the way federal incentives are paid to states. The methodology changed from being based on cost-effectiveness only, to five federal performance measures implemented over a three year period, beginning October 1, 1999. The federal Office of Child Support Enforcement's (OCSE) Action Transmittal 01-01, dated January 3, 2001 contains the federal regulations that govern the system. Since Federal Fiscal Year 2000, states are evaluated for federal incentive funds based on five performance measures:

1. Paternity Establishment Percentage

- The "IV-D Paternity Establishment Percentage" (PEP) measures the total number of children in the IV-D caseload in the fiscal year (or, at the option of the State, as of the end of the fiscal year) who have been born out-of-wedlock and for whom paternity has been established compared to the total number of children in the IV-D caseload as of the end of the preceding fiscal year who were born out of wedlock, expressed as a percent;
- OR
- The "Statewide Paternity Establishment Percentage" measures the total number of children born out-of-wedlock for whom paternity was acknowledged or established in the fiscal year compared to the total number of children in the state born out-of-wedlock during the preceding fiscal year, expressed as a percent.

IV-D PEP

<i>Minimum threshold</i>	<i>50% + 2-6% increase annually if under 90%</i>
<i>California FFY 2002</i>	<i>77.5%</i>
<i>California FFY 2003</i>	<i>87.0%</i>
<i>California FFY 2004</i>	<i>87.6%</i>
<i>California FFY 2005</i>	<i>86.0%</i>

Statewide PEP

<i>Minimum threshold</i>	<i>50% + 2-6% increase annually if under 90%</i>
<i>California FFY 2002</i>	<i>108.7%</i>
<i>California FFY 2003</i>	<i>105.9%</i>
<i>California FFY 2004</i>	<i>117.8%</i>
<i>California FFY 2005</i>	<i>106.5%</i>

2. Percent of Cases With a Child Support Order

This data element measures cases with support orders as compared with the total caseload. Support orders are broadly defined as all legally enforceable orders, including orders for medical support only, and zero support orders.

<i>Minimum threshold</i>	<i>50% or 5% increase annually</i>
<i>California FFY 2002</i>	<i>75.3%</i>
<i>California FFY 2003</i>	<i>76.4%</i>
<i>California FFY 2004</i>	<i>78.1%</i>
<i>California FFY 2005</i>	<i>80.3%</i>

3. Current Collections Performance

This performance standard measures the amount of current support collected as compared to the total amount of current support owed, expressed as a percentage.

<i>Minimum threshold</i>	40%
<i>California FFY 2002</i>	42.4%
<i>California FFY 2003</i>	45.2%
<i>California FFY 2004</i>	48.0%
<i>California FFY 2005</i>	49.3%

4. Arrearage Collections Performance

This performance standard measures cases with child support arrearage collections as compared with cases owing arrearages.

<i>Minimum threshold</i>	40%
<i>California FFY 2002</i>	54.9%
<i>California FFY 2003</i>	55.4%
<i>California FFY 2004</i>	54.9%
<i>California FFY 2005</i>	56.0%

5. Cost Effectiveness Performance Level

This measure compares the total amount of distributed collections to the total amount of expenditures for the fiscal year.

<i>Minimum threshold</i>	\$2.00
<i>California FFY 2002</i>	\$2.23
<i>California FFY 2003</i>	\$2.31
<i>California FFY 2004</i>	\$2.12
<i>California FFY 2005</i>	\$2.15

Data Reliability

In addition to meeting these performance goals, for purposes of incentives and penalties, data must meet a 95 percent standard of reliability beginning in the fiscal year 2001. Reliable data means the most recent data available found by the Secretary to be reliable for the purposes of computing each of the Federal performance measures. Data must be found to be sufficiently complete and error free to be convincing for their purpose and context. Federal auditors are required to conduct audits to assess completeness, reliability, and security of the data, and the accuracy of the reporting systems used in calculating performance indicators.

Failure to meet the five federal performance standards, or the 95 percent data reliability standard puts California at risk of losing eligibility for incentive funds and incurring significant penalties if no improvement is made during the year.

Penalties

The penalty system is used to penalize states that fail to perform at acceptable levels, or fail to submit complete and reliable data. If the state falls below one or more of the performance measures, or does not meet the data reliability criteria, an automatic corrective action period of one year will ensue. If not corrected during that period, then at the end of the year the penalty will be imposed. For example, the corrective action period for the data reliability audit done for FFY 2004 ended September 30, 2005. If the state fails the audit in FFY 2005, the penalty would be imposed in FFY 2006. The penalty level by which payments will be reduced is one to two percent of the TANF grant for the first finding; two to three percent for the second consecutive finding; and three to five percent for the third or a subsequent consecutive finding. Total penalties may not exceed 25 percent of the TANF grant.